

# Small Cap Value / Kennedy Capital Fund

A Manager of Managers Institutional Sub-Advised Separate Account

Third Quarter 2021 Fund Fact Sheet

Key Facts	
Investment Advisor	Kennedy Capital Management, Inc.
Asset Class	Small Cap - Value
Primary Index	Russell 2000 Value Index
Net Assets	\$626.7 Million
Inception Date	01/29/2001
Net Expense Ratio	0.85%
Morningstar Category	Small Value
Morningstar Overall Rating™	★★★★
Overall # of Funds in Morningstar Category	405
Portfolio Manager(s)	Robert Van Bergen; Sean McMahon; Michael Bertz

**Description / Objective**

The Separate Account (the "Fund") is advised by Kennedy Capital Management, effective 1/2005. The Fund is managed pursuant to its extended small-cap value investment strategy, investing primarily in the common stock of U.S. small capitalization companies that are viewed by Kennedy as overlooked by the marketplace. The Manager seeks to outperform the Russell 2000® Value Index over a typical market cycle by investing in fundamentally strong, small capitalization companies with low institutional ownership and low analyst coverage.

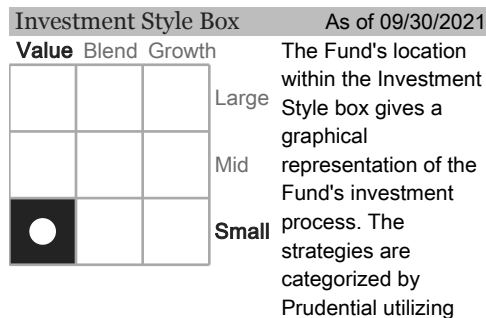
There is no assurance the objectives will be met.

*Small and mid-sized companies may present greater opportunities for capital appreciation, but may also involve greater risks than larger companies. As a result, the value of stocks issued by these companies may fluctuate more than stocks of larger issuers.*

**Overall Morningstar Rating** as of quarter ending 9/30/2021. The Morningstar Rating shown is for this expense ratio and assumes no contract charges are imposed. Other expense ratios may have different performance characteristics. ©2021 Morningstar, Inc. All Rights Reserved. Additional Morningstar information is available in this factsheet.



In the past, this investment has shown a wide range of price fluctuations relative to other investments. This investment may experience significant price increases in favorable markets or undergo large price declines in adverse markets. Some of this risk may be offset by owning other investments that follow different investment strategies.



holdings-based and returns-based analysis as well as manager interviews regarding investment process.

- The vertical axis represents the Fund's market capitalization relative to appropriate style benchmark indices.
- The horizontal axis represents the Fund's investment style expressed on a value-to-growth scale, relative to appropriate style benchmark indices.

Top Five Holdings	As of 09/30/2021	Top Five Sectors	As of 09/30/2021
GOODYEAR TIRE & RUBBER CO	1.09%	Financials	25.52%
PETROLEUM DEVELOPMENT CORP	1.06%	Industrials	17.62%
TRONOX HOLDINGS PCL CLASS A	1.02%	Consumer Discretionary	10.55%
METROPOLITAN BANK HOLDING CO	1.01%	Real Estate	9.76%
		Information Technology	8.48%

Holdings and Sector allocations are ranked as a percentage of net assets and subject to change without notice.

Portfolio Allocation	As of 09/30/2021	Characteristics	As of 09/30/2021
<ul style="list-style-type: none"> <li>■ US Equity 89.43%</li> <li>■ International Equity 7.83%</li> <li>■ Cash 2.73%</li> </ul>		Weighted Median Market Cap (\$Bil)	Fund 2.48 Index 2.43
		Price/Earnings Ratio (Forward)	13.37x 12.83x
		Price/Book Ratio	1.87x 1.47x
		3-5 Year EPS Growth (%)	22.65 12.67
		Number of Holdings - Long	252 1429

**Performance (%)** As of 09/30/2021

	Cumulative Returns		Average Annual Total Returns				Since Inception
	QTD	YTD	1 Year	3 Year	5 Year	10 Year	
Fund	-1.22	24.89	63.74	9.17	10.73	14.35	--
Primary Index	-2.98	22.92	63.92	8.58	11.03	13.22	
Morningstar Rating™				★★★	★★★	★★★★	
# of Funds in Category				405	382	289	

**Fund Fees Reflected in Performance.** The Separate Account was established 1/29/2001. Currently all performance results are net of the highest management fee for this Fund of 0.85%. Actual Fund performance is also net of other Fund operating expenses of 0% for the prior calendar year. Such Fund operating expenses may reflect the benefit of a commission recapture program. Fee waivers of 0% are in place for this Fund. Actual performance shown reflects the imposition of the foregoing expenses and the benefit of any fee waivers and commission recaptures.

**Performance Risks.** Before investing, investors should carefully consider the investment objectives, risks, charges and expenses of this Fund and other plan investment options. The performance quoted represents past performance. The investment value and return will fluctuate so that an investment, when redeemed, may be worth more or less than original cost. Past performance does not guarantee future results. Current performance may be lower or higher than the performance data quoted. For performance data current to the most recent month end, please call 1-877-778-2100. Actual performance may be affected by the manager not being able to invest directly in a country prior to satisfaction of that country's legal requirements. It is possible to lose money investing in securities. Past performance is not indicative of future performance and short periods of performance may be particularly unrepresentative of long-term performance.

**Morningstar Rating™ (Group Annuity- Variable Annuity Subaccounts)** The Morningstar Rating™ is provided for those group variable annuities with at least a three-year history. Ratings are based on the group variable annuity's Morningstar Risk-Adjusted Return measure which accounts for variation in monthly performance, placing more emphasis on downward variations and rewarding consistent performance. Morningstar compares each group variable annuity's risk-adjusted return to the open-end mutual fund rating breakpoints for that category. The group variable annuity Morningstar Rating does not affect the retail mutual fund data published by

Annual Performance		
	Fund	Primary Index
2020	5.07%	4.63%
2019	25.39%	22.39%
2018	-19.88%	-12.86%
2017	13.06%	7.84%
2016	22.78%	31.74%

For more information, go to [www.prudential.com](http://www.prudential.com). All Plan Sponsors (or authorized representatives of Plan Sponsors) participating in the commingled accounts are generally provided with uniform written reports regarding these products. To the extent a Plan Sponsor requests additional information or perspective from the portfolio manager, we will make such information available to any Plan Sponsor who makes a similar request.

**Miscellaneous.** Frequent exchanging of investment options may harm long-term investors. Policies may be in effect at the plan or the investment level to detect and deter exchanges that may be abusive. Such policies may require us to modify, restrict, suspend or terminate purchase or exchange privileges and impose redemption fees. Indices are unmanaged and cannot be invested in directly. See User Guide for index definitions and refer to the section entitled "Description of PRIAC Separate Accounts" for a description of PRIAC's role related to the type of fund described in this Fact Sheet. The index shown, if applicable, in the Characteristics chart refers to the Primary Index.

Morningstar. Consistent with the open-end mutual fund ratings, the top 10% of group variable annuities in each category receive 5 stars, the next 22.5% receive 4 stars, the next 35% receive 3 stars, the next 22.5% receive 2 stars and the bottom 10% receive 1 star. The Overall Morningstar Rating for each group variable annuity is derived from a weighted average of the performance figures associated with its three-, five- and ten-year (if applicable) Morningstar Rating metrics. Past performance is no guarantee of future results.

**Possibility of Contract Charges.** Your retirement plan may have agreed to contract charges. If so, these would reduce the performance (and possibly the Morningstar ratings) shown above. Any contract charges are included in the expense ratio shown in your statement and in the performance shown in your statement. The Fund fees and contract charges compensate us for the distribution and servicing associated with your plan. Other plan investment options may generate more or less revenue for us than the fees associated with this Fund. If the aggregate revenue from your plan exceeds our associated costs, we earn a profit. Otherwise, we incur a loss. Other plans investing in the Fund may have lower fees, but these are not available to your plan in order to compensate us for distribution and plan servicing.

**The Separate Account.** Your retirement plan purchases units of a Separate Account established and made available as an investment option under group variable annuity contracts issued by Prudential Retirement Insurance and Annuity Company ("PRIAC"), Hartford CT. The Separate Account holds the investment securities, and associated voting rights belong to the Separate Account. For tax purposes, PRIAC owns the assets in the Separate Account and receives any dividends-received deduction. As defined by ERISA Section 3(38), PRIAC is the "investment manager" of the Separate Account. Pursuant to CFTC Rule 4.5, PRIAC has claimed an exclusion from registration as a commodity pool operator with respect to the Fund. The investment guidelines for this Separate Account prohibit leverage.

For federal tax purposes, PRIAC/PICA owns the assets and the income in the separate account and may derive certain corporate income tax benefits associated with the investment of separate account assets. Under current tax law, such benefits may include but not be limited to foreign tax credits and the corporate dividends received deduction, which in either case PRIAC/PICA is the only taxpayer eligible to claim such tax benefits.

Data presented is as of the period specified for this report, unless otherwise specified within a table heading. Data and expense ratios presented are the most current made available at the time of production. For mutual funds, the fund company may have more recent data available on its website. Price corrections that impact performance data may occur after production of this material.

**3-5 Year EPS Growth (%)** Calculated by taking the mean of each security's estimated earnings per share (EPS) long term growth rate. The EPS long term growth rate for each security is determined by taking the mean of all of the brokers estimates for EPS long term growth per security.

**Net Assets** Balance data presented is the most current data available at the time of receipt, however some information may be presented on a lag. The data is deemed reliable but the accuracy cannot be guaranteed. All balances are unaudited.

**Net Expense Ratio** The Total Net Expense Ratio represents fee charged against fund assets after adjustment for fee waivers if applicable. The Net Expense Ratio will equal the Gross Expense Ratio when no fee waivers are in place. Expense data is typically quoted with two decimal places; however, three decimal places will be displayed when values are available.

**Portfolio Allocation** The pie chart illustrates how investment holdings breakdown into primary investment types.

**Portfolio Manager** The name of the person(s) who determines which stocks, bonds and cash equivalents belong in the investment portfolio.

**Price/Book Ratio** Calculated as a weighted average of the price/book ratios of all stocks in the portfolio. This ratio is used to compare a stock's market value to its book value. It is calculated by dividing the current closing price of the stock by the latest quarter's book value per share. A lower P/B ratio could mean that the stock is undervalued. However, it could also mean that something is fundamentally wrong with the company. As with most ratios, be aware that this varies by industry.

**Price/Earnings Ratio (Forward)** The price of a stock divided by next year's earnings per share estimate. P/E multiples enable investors to compare the relative value of stocks within a portfolio; they show how much an investor must pay for a company's earning power. A lower portfolio P/E ratio indicates that the stocks in a portfolio are not highly-valued relative to the market. Growth-oriented investments tend to have higher P/E ratios than value-oriented investments as investors expect higher earnings growth from the underlying companies and are therefore willing to pay a premium price.

**Weighted Median Market Cap (\$Bil)** Calculated by ranking all stocks in a portfolio in ascending order based on total market capitalization. Using the stock's weight in a portfolio, the weighted median value is the value belonging to the company straddling the 50% barrier.